

DEPARTMENT OF DEFENSE WAGE COMMITTEE

(Appropriated/Nonappropriated Fund)

Summary of 2431st Meeting – March 28, 2017

Purpose of Meeting: To consider the following:

NONAPPROPRIATED FUND

1. Sacramento, California (Full Scale)
2. San Joaquin, California (Full Scale)
3. Bernalillo, New Mexico (Full Scale)
4. Dona Ana, New Mexico (Full Scale)
5. El Paso, Texas (Full Scale)
6. Shelby, Tennessee (Wage Change)
7. Christian, Kentucky/Montgomery, Tennessee (Wage Change)
8. Charleston, South Carolina (Wage Change)

APPROPRIATED FUND

9. Miami, Florida (Full Scale)
10. Cincinnati, Ohio (Full Scale)
11. Birmingham, Alabama (Wage Change)
12. New York, New York (Wage Change)
13. Southeast Power Rate Schedule (Special Rate)

ADDED ITEMS

NONAPPROPRIATED FUND

14. Bell, Texas (Survey Specifications)
15. Tom Green, Texas (Survey Specifications)

APPROPRIATED FUND

16. Augusta, Georgia (Survey Specifications)
17. Macon, Georgia (Survey Specifications)
18. Duluth, Minnesota (Survey Specifications)
19. San Antonio, Texas (Survey Specifications)
20. Southeastern Washington-Eastern Oregon (Survey Specifications)

The meeting was closed to the public on the basis of a determination under section 10(d) of the Federal Advisory Committee Act (Public Law 92-463) that the closing is necessary because matters considered relate to the internal personnel rules and practices of the Department of Defense and the wage survey data considered by the Committee in the development of FWS schedule recommendations have been obtained from private industry with the guarantee of confidentiality (5 USC 552b).

Chairman: Mr. James Davey
 DFO: Mr. James Brady Chief, Wage & Salary Division
 Members: Mr. Gary Buck (Army) Absent (DLA)
 Ms. Rosemary Meriwether (Navy) Absent (AFGE)
 Mr. Jason Munro (Air Force) Mr. Paul O'Connor (IBEW)

Technical Staff:

Mr. William Becht	NAF Presenter	Mr. Brian Bauer	AF Presenter
Ms. Rebecca Chaves	NAF Recorder	Ms. Stacy Nelson	AF Recorder
Ms. Karen Kurian	NAF Observer	Ms. Kieu Nguyen	AF Observer
		Mr. Karl Fendt	AF Observer

Proceedings: The meeting convened at 10:05 a.m. at 4800 Mark Center Drive, Room 05K25, Alexandria, Virginia.

NONAPPROPRIATED FUND

(1) Sacramento, California (Full Scale) (Becht)

The full scale exhibits were distributed and reviewed. Mr. Becht reported that the Midpoint-All Data was the line of record. There are no sport rates in the survey data. Analysis of the wage data by job average shows 7 jobs with 1,832 matches near the unit line, 6 jobs with 2,506 matches near the frequency line, no jobs near the midpoint line, and no ties; by grade average, 5 grades are near the unit line, 3 grades near the frequency line, no grades near the midpoint line, and no ties. Common firms were 99 out of 160 or 62%. The Staff-proposed line, Midpoint-All Data, provides an average increase of 2.61% or 44 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.31% or 40 cents per hour for the SAC locality wage area and 2.14% or 36 cents per hour for the RUS locality wage area.

MOTION: Mr. Munro moved, seconded by Mr. Buck, that the Staff-proposed line be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(2) San Joaquin, California (Full Scale) (Becht)

The full scale exhibits were distributed and reviewed. Mr. Becht reported that the Unit-All Data was the line of record. There is 1 high sport rate in the survey data. Analysis of the wage data by job average shows 11 jobs with 1,758 matches near the unit line, 5 jobs with 1,712 matches near the frequency line, no jobs near the midpoint line, and no ties; by grade average, 5 grades are near the unit line, 4 grades near the frequency line, no grades near the midpoint line, and no ties. Common firms were 110 out of 148 or 74%. The Staff-proposed line, Unit-All Data, provides an average increase of 1.16% or 22 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.83% or 54 cents per hour for the SF locality wage area.

MOTION: Mr. Buck moved, seconded by Mr. Munro, that the Staff-proposed line be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(3) Bernalillo, New Mexico (Full Scale) (Becht)

The full scale exhibits were distributed and reviewed. Mr. Becht reported that the Frequency–All Data was the line of record. There is 1 high sport rate in the survey data. Analysis of the wage data by job average shows 8 jobs with 1,974 matches near the unit line, 5 jobs with 2,022 matches near the frequency line, no jobs near the midpoint line, and no ties; by grade average, 3 grades are near the unit line, 5 grades near the frequency line, no grades near the midpoint line, and no ties. Common firms were 82 out of 117 or 70%. The Staff-proposed line, Frequency–All Data, provides an average increase of 2.64% or 36 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.39% or 31 cents per hour for the AQ locality wage area and 2.39% or 31 cents per hour for the RUS locality wage area.

MOTION: Mr. Munro moved, seconded by Mr. Buck, that the Staff-proposed line be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(4) Dona Ana, New Mexico (Full Scale) (Becht)

The full scale exhibits were distributed and reviewed. Mr. Becht reported that the Frequency–All Data was the line of record. There are no sport rates in the survey data. Analysis of the wage data by job average shows 6 jobs with 201 matches near the unit line, 7 jobs with 805 matches near the frequency line, no jobs near the midpoint line, and no ties; by grade average, 3 grades are near the unit line, 5 grades near the frequency line, no grades near the midpoint line, and no ties. Common firms were 102 out of 121 or 84%. The Staff-proposed line, Frequency–All Data, provides an average increase of 3.74% or 47 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 1.78% or 23 cents per hour for the RUS locality wage area.

MOTION: Mr. Buck moved, seconded by Mr. Munro, that the Staff-proposed line be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(5) El Paso, Texas (Full Scale) (Becht)

The full scale exhibits were distributed and reviewed. Mr. Becht reported that the Midpoint–All Data was the line of record. There are no sport rates in the survey data. Analysis of the wage data by job average shows 10 jobs with 2,088 matches near the unit line, 3 jobs with 2,150 matches near the frequency line, 1 job with 67 matches near the midpoint line, and no ties; by grade average, 4 grades are near the unit line, 3 grades near the frequency line, 1 grade near the midpoint line, and no ties. Common firms were 90 out of 140 or 64%. The Staff-proposed line, Midpoint–All Data, provides an average increase of 3.24% or 41 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.36% or 28 cents per hour for the RUS locality wage area.

MOTION: Mr. Buck moved, seconded by Mr. Munro, that the Staff-proposed line be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(6) Shelby, Tennessee (Wage Change) (Becht)

The wage change exhibits were distributed and reviewed. The Staff-proposed line, Unit-All Data, provides an average increase of 2.05% or 31 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.40% or 36 cents per hour for the RUS locality wage area. The Committee adopted the Staff-proposed line by consensus.

(7) Christian, Kentucky/Montgomery, Tennessee (Wage Change) (Becht)

The wage change exhibits were distributed and reviewed. The Staff-proposed line, Midpoint-All Data, provides an average increase of 1.84% or 25 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.34% or 28 cents per hour for the RUS locality wage area. The Committee adopted the Staff-proposed line by consensus.

(8) Charleston, South Carolina (Wage Change) (Becht)

The wage change exhibits were distributed and reviewed. The Staff-proposed line, Frequency-All Data, provides an average increase of 2.26% or 29 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.40% or 31 cents per hour for the RUS locality wage area. The Committee adopted the Staff-proposed line by consensus.

APPROPRIATED FUND

(9) Miami, Florida (Full Scale) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed payline is the Frequency (All Data) line. Data-Fit by Job Average: Ten of the 16 survey job averages with 2,199 samples representing 47.57% of the data fit the unit line, and the remaining 6 with 2,424 samples representing 52.43% of the data fit the frequency line. Data-Fit by Grade Average: Five of the 9 grade weighted averages with 2,285 samples representing 8 jobs and 49.43% of the data fit the unit line, and the remaining 4 with 2,338 samples representing 8 jobs and 50.57% of the data fit the frequency line. The trend lines do not cross. The Staff recommended the frequency as the most representative wage line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.17 per hour at grade 1 to \$0.78 per hour at grade 15 with an average of \$0.4733 per hour, or 2.11%. Application of CPM 2016-22, dated 27 December 2016, for the Miami-Fort Lauderdale-Port St. Lucie, Florida GS locality for FY 2017 is \$0.5153 per hour, or 2.40%. The average lag for FY 2017 is \$0.8520, or 3.88%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of the U.S. GS locality for FY 2017 is \$0.5100 per hour, or 2.40%. The average lag for FY 2017 is \$1.1146, or 5.13%.

MOTION: Mr. Munro moved, seconded by Ms. Meriwether, that the Staff-proposed schedules be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(10) Cincinnati, Ohio (Full Scale) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed payline is the Unit (All Data) line. Data-Fit by Job Average: Ten of the 18 survey job averages with 2,788 samples representing 49.36% of the data fit the unit line, and the remaining 8 survey job averages with 2,860 samples representing 50.64% of the data fit the frequency line. Data-Fit by Grade Average: Five of the 9 grade weighted averages with 3,084 samples representing 11 jobs and 54.60% of the data fit the unit line, and the remaining 4 grade weighted averages with 2,564 samples representing 7 jobs and 45.40% of the data fit the frequency line. The trend lines cross between grades 11 and 12. The Staff recommended the unit as the most representative wage line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.09 per hour at grade 1 to \$0.42 per hour at grade 15 with an average of \$0.2533 per hour, or 1.02%.

Application of CPM 2016-22, dated 27 December 2016, for the Cincinnati-Wilmington-Maysville, OH-KY-IN GS locality for FY 2017 is \$0.5000 per hour, or 2.23%. The average lag for FY 2017 is \$2.1279, or 9.28%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality for FY 2017 is \$0.4993 per hour, or 2.23%. The average lag for FY 2017 is \$2.1493, or 9.39%.

MOTION: Mr. Buck moved, seconded by Mr. Munro, that the Staff-proposed schedules be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(11) Birmingham, Alabama (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.17 per hour at grade 1 to \$0.57 per hour at grade 15 with an average of \$0.3733 per hour, or 1.68%.

Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality for FY 2017 is \$0.4900 per hour, or 2.40%. The average lag for FY 2017 is \$1.7060, or 8.16%.

The Staff-proposed schedule was adopted by consensus.

(12) New York, New York (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.35 per hour at grade 1 to \$0.83 per hour at grade 15 with an average of \$0.5873 per hour, or 2.24%.

Application of CPM 2016-22, dated 27 December 2016, for the New York-Newark, NY-NJ-CT-PA GS locality for FY 2017 is \$0.6433 per hour, or 2.60%. The average lag for FY 2017 is \$1.4246, or 5.61%.

The Staff-proposed schedule was adopted by consensus.

(13) Southeast Power Rate Schedule (Special Schedule) (Full Scale) (Bauer)

In accordance with the Water Resources Development Act of 2007, Public Law 110-114 Sec. 5026, survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Southeast Power Rate Schedule is administratively set from the Southwestern Power Rate Schedule.

The Staff-proposed schedule provides adjustments ranging from \$2.42 per hour at the Power Plant Trainee I position to \$3.70 per hour at the Power Plant Senior Mechanic Leader position with an average of \$3.23 per hour, or 8.36%.

ADDED ITEMS:

NONAPPROPRIATED FUND

(14) Bell, Texas (Survey Specifications) (Becht)

The survey specifications were distributed and reviewed. The Committee adopted the survey specifications by consensus.

(15) Tom Green, Texas (Survey Specifications) (Becht)

The survey specifications were distributed and reviewed. The Committee adopted the survey specifications by consensus.

APPROPRIATED FUND

(16) Augusta, Georgia (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

(17) Macon, Georgia (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. The LWSC recognized that the Macon, Georgia wage area has an aircraft dominant industry. Past surveys of the wage area indicate there is insufficient aircraft industry and data within the area. If the 2017 survey produces insufficient aircraft industry and data, an appropriate reference area will be recommended to the DoD Wage Committee. There were no other significant changes to the proposed survey specifications from 2015.

The Committee concurred with the recommendation by consensus.

(18) Duluth, Minnesota (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. The LWSC recognized that the Duluth, Minnesota wage area has an aircraft dominant industry. Past surveys have found adequate aircraft specialized industry, but not data. If the 2017 survey is inadequate for aircraft specialized data, an appropriate reference area will be presented to the DoD Wage Committee for

consideration. There were no other significant changes to the proposed survey specifications from 2015.

The Committee concurred with the recommendation by consensus.

(19) San Antonio, Texas (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. The San Antonio, Texas wage area has an aircraft dominant industry. The previous survey indicated that the survey area had adequate aircraft specialized industry and data to meet S5-12 requirements. In the event the 2017 survey fails to provide adequate specialized industry and data, an appropriate reference area will be proposed to the DoD Wage Committee for consideration. There were no significant changes to the proposed survey specifications from 2015.

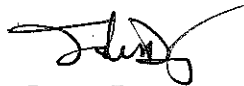
The Committee adopted the survey specifications as presented and by consensus.

(20) Southeastern Washington-Eastern Oregon (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

The meeting adjourned at 10:45 a.m.



James Davey
Chairman
DoD Wage Committee